

AMENDED IN ASSEMBLY MAY 1, 2013  
AMENDED IN ASSEMBLY FEBRUARY 20, 2013  
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 53**

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**Introduced by Assembly Member John A. Pérez**  
*(Coauthors: Assembly Members Fong, Fox, Medina, and Weber)*

January 7, 2013

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An act to amend Section 12096.3 of, and to add Section 12096.35 to, the Government Code, and to amend Section 1401 of the Labor Code, relating to economic development.

### LEGISLATIVE COUNSEL'S DIGEST

AB 53, as amended, John A. Pérez. Governor's Office of Business and Economic Development: biennial California Economic Development Strategic Plan.

The Governor's Office of Business and Economic Development serves as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. The office, among others, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals.

This bill would require the office to lead the preparation of a ~~biennial~~ California Economic Development Strategic Plan, as specified.

Existing law provides that an employer, with certain exceptions, may not order a mass layoff, relocation, or termination, as defined, at a covered establishment without giving 60 days' prior written notice to

employees and the Employment Development Department and other local agencies, as well as complying with specified federal guidelines.

This bill would require the employer to also provide written notice to the Governor's Office of Business and Economic Development and require the Employment Development Department to post the notice on its Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 12096.3 of the Government Code is  
2 amended to read:

3 12096.3. The office shall serve the Governor as the lead entity  
4 for economic strategy and the marketing of California on issues  
5 relating to business development, private sector investment, and  
6 economic growth. In this capacity, the office may:

7 (a) Recommend to the Governor and the Legislature new state  
8 policies, programs, and actions, or amendments to existing  
9 programs, advance statewide economic goals and respond to  
10 emerging economic problems and opportunities, and ensure that  
11 all state policies and programs conform to the adopted state  
12 economic and business development goals.

13 (b) Coordinate the development of policies and criteria to ensure  
14 that federal grants administered or directly expended by state  
15 government advance statewide economic goals and objectives.

16 (c) Market the business and investment opportunities available  
17 in California by working in partnership with local, regional, federal,  
18 and other state public and private institutions to encourage business  
19 development and investment in the state.

20 (d) Provide, including, but not limited to, all of the following:

21 (1) Economic and demographic data.

22 (2) Financial information to help link businesses with state and  
23 local public and private programs.

24 (3) Workforce information, including, but not limited to, labor  
25 availability, training, and education programs.

26 (4) Transportation and infrastructure information.

27 (5) Assistance in obtaining state and local permits.

28 (6) Information on tax credits and other incentives.

(7) Permitting, siting, and other regulatory information pertinent to business operations in the state.

(e) Establish a well-advertised telephone number, an interactive Internet Web site, and an administrative structure that effectively supports the facilitation of business development and investment in the state.

(f) Encourage collaboration among research institutions, startup companies, local governments, venture capitalists, and economic development agencies to promote innovation.

(g) In cooperation with the federal government, foster relationships with overseas entities to improve the state's image as a destination for business investment and expansion.

(h) Conduct research on the state's business climate, including, but not limited to, research on how the state can remain on the leading edge of innovation and emerging sectors.

(i) Support small businesses by providing information about accessing capital, complying with regulations, and supporting state initiatives that support small business.

(j) Lead the preparation of a ~~biennial~~ California Economic Development Strategic Plan.

SEC. 2. Section 12096.35 is added to the Government Code, to read:

12096.35. (a) The office shall lead the preparation of a ~~biennial~~ California Economic Development Strategic Plan. In fulfilling this duty, the office shall do all of the following:

(1) Make recommendations regarding an economic development strategic plan for the state, covering a ~~two-year~~ *three-year* time period and containing a statement of economic goals for the state, a prioritized list ~~identifying~~ *of* significant issues ~~learned~~ *identified* from proposals for legislation, regulations, and administrative reforms necessary to improve the business climate and economy of the state, evaluation of the effectiveness of the state's economic development programs, a list of key industries in which the state shall focus its economic development efforts, and strategies to foster job growth and economic development covering all state agencies, offices, boards, and commissions that have economic development responsibilities.

(2) Convene a ~~biennial meeting~~ *one or more meetings* to provide recommendations regarding a California economic development strategic plan. The office shall invite businesses, labor unions,

1 organizations representing the interests of diverse ethnic and gender  
2 groups, local government leaders, academic economists and  
3 business professors, chambers of commerce and other business  
4 organizations, *economic development organizations*, government  
5 agencies, and key industries to contribute to the preparation of the  
6 recommended economic strategy. These meetings shall address,  
7 but are not limited to, all of the following:

8 (A) Strengths and weaknesses of the California economy and  
9 the state's prospects for future economic prosperity.

10 (B) Existing, emerging, and declining industries in California  
11 and elsewhere.

12 (C) Effectiveness of California's economic development  
13 programs in creating and retaining jobs and attracting industries.

14 (D) Adequacy of state and local physical and economic  
15 infrastructure.

16 (E) ~~Government~~—*Governmental and nongovernmental*  
17 impediments to economic development.

18 (F) *Opportunities to leverage federal resources for state*  
19 *priorities.*

20 (G) *Tactics for attracting private capital to the state and*  
21 *investment in state priority areas.*

22 ~~(F)~~

23 (H) The development of a system of accountability for use in  
24 the annual state budget process and in the legislative process to  
25 measure the performance of all state policies, programs, and tax  
26 expenditures intended to stimulate the economy. In developing a  
27 system of accountability, the ~~panel, by using only existing~~  
28 ~~resources and without future budget augmentation made for this~~  
29 ~~purpose shall, office shall~~ do all of the following:

30 (i) Develop a standard definition of economic development.

31 (ii) Develop, for use in state law, standard measurements of real  
32 per capita income, job growth and retention, new business creation,  
33 private sector investment, minority entrepreneurship, and income  
34 inequality.

35 (iii) Survey and evaluate efforts in other states to develop  
36 accountability measures for public investments in economic  
37 development.

38 (iv) Determine whether a return on investment calculation is  
39 feasible for public investments in economic development.

1 (v) Conduct a comparative study of various methodologies for  
2 preparing the economic development sections of a state budget,  
3 including unified functional budget, zero-based budget, and  
4 performance-based budget methodologies.

5 (vi) Study the feasibility of statutory disclosure requirements  
6 on specified publicly funded subsidies to private sector businesses.

7 ~~(vii) Submit~~

8 (b) *The office shall submit a report of its findings and*  
9 *recommendations regarding this subparagraph subdivision (a) to*  
10 *the Governor and the Legislature no later than one year after its*  
11 *first meeting after January 1, 2015 October 1, 2014, and every*  
12 *three years following that date.* The report shall be submitted to  
13 the Legislature in the manner required pursuant to Section 9795.

14 ~~(b)~~

15 (c) The office shall deliver copies of the recommended  
16 California economic development strategic plan to every  
17 constitutional officer, legislator, member of the Governor's cabinet,  
18 and every state agency, office, board, and commission having  
19 economic development responsibilities.

20 SEC. 3. Section 1401 of the Labor Code is amended to read:

21 1401. (a) An employer may not order a mass layoff, relocation,  
22 or termination at a covered establishment unless, 60 days before  
23 the order takes effect, the employer gives written notice of the  
24 order to the following:

25 (1) The employees of the covered establishment affected by the  
26 order.

27 (2) (A) The Employment Development Department, the  
28 Governor's Office of Business and Economic Development, the  
29 local workforce investment board, and the chief elected official  
30 of each city and county government within which the termination,  
31 relocation, or mass layoff occurs.

32 (B) The Employment Development Department shall, upon  
33 receipt of the notice, post the notice on its Internet Web site.

34 (b) An employer required to give notice of any mass layoff,  
35 relocation, or termination under this chapter shall include in its  
36 notice the elements required by the federal Worker Adjustment  
37 and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

38 (c) Notwithstanding the requirements of subdivision (a), an  
39 employer is not required to provide notice if a mass layoff,

- 1 relocation, or termination is necessitated by a physical calamity
- 2 or act of war.

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